

## REGION 2 WORKFORCE INVESTMENT BOARD POLICY #4

**Subject: Work Based Learning Services**

**Board Approved: May 21, 2018**

**Corrections pending Board Approval: September 20, 2018**

**Purpose:** To establish a Policy to provide guidance in establishing a procedure for Region 2 to meet the requirements of Federal WIOA Regulations and State Policy # 1-16 and 3-16 to include all of Region 2 Employment Programs which includes On-the-Job Training (OJT), Incumbent Worker, (IW), and Transitional Job (TJ) and any other direct employment/reimbursement plan that is approved. This section does not apply to any employment situation that does not create an employer-employee relationship as referenced under Section below titled Background

**References:** Workforce Innovation and Opportunity Act of 2014 (WIOA), Section 3 (23); WIOA Section 134(d) (4); Proposed 20 CFR 680.780, 680.790, 680.800, 680.810, 680.820, 682.210 (b) and 682.320(b) (3).

**Background: On-the Job Training (OJT)** is defined as occupational training by an employer that is provided to a paid WIOA participant while engaged in productive work in a job or position that the WIOA participant has limited or no experience. As with any training program, a curriculum of study must exist between the Region 2 OJT contractor and the employer that details the skills that must be mastered and the time frame for the mastery of said skills.

**Policy:** The employer may be in the public, private or private non-profit sector meeting the minimum wage \$10.00 an hour. The business must be located in Region 2 or being willing to hire only a Region 2 resident to qualify for an OJT contract. The employer may receive a reimbursement of up to 50% of the wage rate to compensate for the employer's extraordinary costs. The goal of the program is for the participant to gain skills that leads to long-term employment. Minimum wage is as mentioned above except for youth as defined under WIOA or individuals who are disabled such as those on S.S.I. or S.S.D. or other qualifying individual who meets the federal definition of disability who is wanting to reenter the workforce.

OJT contracts may be written with individual incumbent workers if WIOA eligible, all other requirements are met except WorkKeys assessment and the OJT relates to the introduction of new technologies, introduction of new production or service procedures, upgrading to a new job that requires additional skills, workplace literacy, or other appropriate purposes approved by the Executive Director.

OJT contracts will not be used to assist, promote or deter union organizing and the employer cannot have laid-off employees in last 12 months in that job classification or moved from in or out of state within the last 6 months if a job loss occurred at previous site.

The participant in all Region 2 Employment Programs must be WIOA eligible including Work Keys assessed, have signed IEP, be drug tested, and been accepted into the employment program of the contractor, except Incumbent Worker. Out-of-School Youth age 18-24 may participate in OJT as either and adult or OSY but if OSY funds are used the Youth must be registered in the OSY Program, meet OSY eligibility and be drug tested.

**Incumbent Worker (IW)** is defined as employed by the Fair Labor Standards Act requirements for an employer-employee relationship, and have a history of employment with the employer for 6 months or more. The employer is the customer of Region 2 and to qualify under WIOA Section 134 (d) (4) and 680.790 must increase the competitiveness of the employee or employer. An I.W. does not necessarily have to meet the eligibility requirements for career and training services for adults and Dislocated Workers under this Act. Region 2 may expend up to 20% of combined adult and dislocated worker formula allotments for IW training. Region 2 will consider the following factors in determining the eligibility of employers to receive up to 40% reimbursement of cost of training from formula funds. Funding may be provided from WIOA discretionary funds or statewide training funds or combination of the two but Region 2 funds cannot exceed 40% of balance of training cost after other training funds are expended.

Factors in determining eligibility of employers:

1. Characteristics of the Incumbent Workers to be trained, specifically the extent to which they historically represent individuals with barriers to employment as defined in WIOA Section 3 (24) and how they will benefit from retention, advancement, or pay increase.
2. Quality of training (e.g. industry-recognized credentials, advancement, etc.
3. Number of participants the employer plans to train or retrain.
4. The wage and benefit levels of participants before and after training.
5. The employer must not have laid-off workers within 12 months and must make a commitment to retain or avert layoffs of incumbent worker(s) being trained.
6. The employer must not be delinquent in unemployment insurance, worker's Comp insurance, compensation taxes, county property taxes or any penalties or interest on fines.
7. Region 2 contractor must provide documents that meet the above 6 provisions for approval of agreement.

Participant not eligible for Supportive Services.

**Transitional Job (TJ)** provides a limited work experience, that is subsidized at a rate not greater than 75% of hourly wage for period not greater than 4 weeks and

TJ participant may be subsidized for 20 to 40 hours a week. To qualify the employer must be classified as public, private or non-profit sector and be registered with the state. The individual must be hired by the employer and have barriers such as but not limited to chronic unemployment, inconsistent work history or receiving form of assistance from government source. This category is designed to enable a participant to establish a work history, demonstrate work success including basic job skills and develop the skills that will lead to unsubsidized employment. The participant, in addition to the hours of work, may be required to attend 15 hours of soft skills training, career counseling, etc. and will receive a stipend for attendance during the 4 weeks. It is anticipated that if the employer retains the participant beyond the 4 week period a new agreement will be developed to reflect the requirements of an OJT agreement and the employer will be reimbursed at rate of 50% for a period not to exceed 300 hours of on the clock time. By WIOA regulation Region 2 may reserve and spend maximum 10% of their combined total of adult and dislocated worker formula funds.

Participant eligible Supportive Services same as ITA.

**Customized Training (CT)** Single employer or group of employers going together to train non-employees in a set of needed skills in geographic area and the employer or group of employers then hiring from the trained individuals. The previous requirements apply to employers and they must share in the cost. The maximum payable by Region 2 is 40% of employer cost. ITA may be used for individuals, but this requires WorkKeys and passing a drug test.

**Apprenticeship Programs:** Sponsored by a West Virginia Registered Apprenticeship may be eligible if chosen by the Registered Apprenticeship with available employment with West Virginia Employer. Apprentice may reside in West Virginia, Ohio or Kentucky and be otherwise eligible provided the Registered Apprenticeship area or district includes the area in Ohio or Kentucky in which the individual lives. (Change needed to meet new State Policy #6-16 Change 1 that requires an individual to be a State resident or dislocated from a West Virginia employer.)

**Action: Region 2 may either employ an individual to provide this business service or contract with a non-profit or for profit corporation for a period of 1 year (July 1-June 30) and be renewed twice for maximum 3 year period before being rebid.** Staff of the Region 2 WIB will prepare procedures and guidelines that reflect this policy through a Request for Proposal. The contractor should have completed 75% of placements by the end of March to be considered in compliance with this policy. The Executive Director will provide a recommendation if that level has not been attained.

**Expiration Date:** Effective from date of passage until rescinded or modified by Region 2 Workforce Board or Executive Committee acting on their behalf.